

SECRET

1 APR 1966

25X1A

MEMORANDUM FOR: [REDACTED]

SUBJECT : Appeal of Designation as a Participant in the CIA Retirement and Disability System

REFERENCE : Your memorandum addressed to the Director of Central Intelligence dated 4 January 1966, same subject

1. On 29 March 1966 the CIA Retirement Board considered your appeal of designation as a participant in the CIA Retirement and Disability System which had been forwarded to me for this purpose. In considering your request to be transferred from the CIA Retirement System to the Civil Service Retirement System, the Board noted that you had previously exercised your vested right to elect to remain in the System, and that the Office of General Counsel had recently ruled that no right of appeal from designation as a participant remains to an employee who has exercised his "fifteen-year" election to remain a participant, notwithstanding the statement to the contrary under the remarks section of the Form 1150, Notification of Personnel Action, that informed employers of their designation as participants. A practice that has since been discontinued.

2. In view of the above, the Board concluded that you had no right of appeal on pure technical grounds. However, in reviewing your case on its individual merits, the Board gave full cognizance to the fact that during the transition period under the new Agency Retirement System employees entitled to an election may not be sufficiently informed of their rights and the benefits under the System as to make an intelligent choice between the CIA and Civil Service Retirement Systems. For this reason, and the fact that your Career Service had stated that your services could be fully utilized, it was the unanimous recommendation of the Board that you be permitted to transfer to the Civil Service Retirement System.

3. Based upon my own review of the facts as presented in your case, I have approved the recommendation of the Board and have requested that action be initiated to effect your transfer to the Civil Service Retirement System. You will be notified by Official Personnel Action when this transfer has been effected.

SIGNED

Ernest D. Echols
Director of Personnel

Distribution:

- O & I - Addressee
- 1 - OD/Pers. (chrono)
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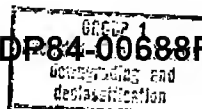
25X1A

OP/BSD/RS/ [REDACTED]

Imz

(30 March 1966)

SECRET



16 FEB 1966

MEMORANDUM FOR: [REDACTED] TSPEC

THROUGH : Deputy Director for Intelligence

SUBJECT : Designation of [REDACTED] as a Participant 25X1A
in the CIA Retirement and Disability System

STATSPEC

25X1A 1. I am attaching correspondence pertaining to the "appeal"
25X1A of [REDACTED] to be removed as a participant in the CIA
Retirement and Disability System and returned to coverage under
the Civil Service Retirement System. The Deputy General Counsel
has ruled in his memorandum of 24 January 1966 (included in the
attached material) that [REDACTED] has no legal right of appeal
of his designation. However, the Inspector General has endorsed
the suggestion that [REDACTED] situation be examined "on its
merits" and returned the file to me for that purpose.

25X1A 2. I believe that the next step to be taken is for you to
25X1A consider formally [REDACTED] request to be removed from the CIA
Retirement and Disability System on the basis of the reasons
stated in his memorandum of 4 January 1966 to the Director of
Central Intelligence. Your recommendation as to disposition of
[REDACTED] "appeal" after such consideration will be referred to
the CIA Retirement Board for their advice as to final action.

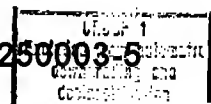
/s/ Emmett D. Echols
Emmett D. Echols
Director of Personnel

Attachment

Distribution:

- O & I - Addressee
- X - C/CIA Ret. Stf.
- 1 - D/Pers Chrono

25X1A OD/Pers/ [REDACTED] sac (16 Feb 66)



4 January 1966

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Appeal of Designation as a Participant in the
CIA Retirement and Disability System

REFERENCE: [REDACTED]

25X1A

1. I wish to appeal my designation as a participant in the CIA Retirement and Disability System and request that I revert to the Civil Service Retirement System. I feel I am justified in this request for the following reasons:

a. On the basis of widely accepted information, I had based my career-end planning on a mandatory retirement age of 62, and was not aware until September 1965 upon receipt of an Employee Bulletin covering Public Law 88-643 that the mandatory retirement age had been dropped to 60.


b. Mandatory retirement at age 60, with a relatively short period of Federal service (approximately 23 years) would yield only about 40 percent of my present base pay, thus working a hardship.

2. In support of my request for special consideration, I wish to call to your attention that I have been employed by the Central Intelligence Agency for 17 years, of which over 8 years were spent overseas. I have maintained a high-level of job performance and initiative over the period of employment, and have been encouraged by my superiors to feel that I have been an asset to all operations with which I have been associated. During the majority of my 17 years with the CIA I have worked round-the-clock, 7-day week shifts and have maintained an almost perfect sick leave record in spite of this. Over the years I have been one of the "bargain" employees as far as Agency financial support is concerned, costing relatively little for travel or maintenance, and nothing at all for fringe considerations such as educational allotments, family travel, etc.

3. By reason of the above considerations and the fact that retirement at age 60 under the CIA Retirement and Disability System will not provide an income on which my wife and I can reasonably live, I present my appeal for restoration to the Civil Service Retirement System. Under the Civil Service Retirement System I could continue to plan for retirement at age 62 in accordance with Agency regulations, however my annuity would be appreciably larger.

SUBJECT: Appeal of Designation as a Participant in the CIA
Retirement and Disability System

4. I regret that my appeal has been delayed; I was on leave during a portion of the 30 day period and was working the night shift (midnight to 8:00 a.m.) during the balance of the period. I trust this delay will not adversely influence my appeal.

 25X1A

STATSPEC

3 January 1966

MEMORANDUM FOR: Director of Personnel

THROUGH: Deputy Director for Intelligence

25X1A
SUBJECT: [REDACTED]

REFERENCE: Memorandum to CIA Retirement Board from [REDACTED] A
dated 3 January 1966, subject: Extension of Service
Before Retirement - [REDACTED] (Attached)

25X1A

1. In the attached memorandum, [REDACTED] requests extension of 25X1A
service beyond age 60 under the CIA Retirement System. [REDACTED] was 25X1A
designated a participant in the CIA System on 5 December 1965. He 25X1A
will be 60 years old on 1 May 1968. Although [REDACTED] is a valuable 25X1A
and competent employee, he is not occupying a critical position. This
Office has no operational justification for seeking an extension of
his service beyond his mandatory retirement date under the CIA System.

25X1A
2. [REDACTED] was told by me today that [REDACTED] would not see STATSPEC
extension of his service beyond age 60 under the CIA Retirement and
Disability System. He was also told that if he chose to exercise his
right to appeal his designation as a participant in the CIA Retirement
and Disability System, and if such appeal were upheld by the Director,
he would revert to the Civil Service Retirement System and would be
expected to retire at age 62.

Attachment

STATSPEC

cc: DD/I

CIA Retirement Board

3 January 1966

STATSPEC TTRU : [REDACTED]

25X1A

Extension of Service Before Retirement - [REDACTED]

25X1A

1. Under Public Law 88-643, "The Central Intelligence Retirement Act of 1964 for Certain Employees," a stated objective is mandatory retirement at age 60 if Grade GS-17 or below.

2. It is believed unlikely, however, that it is the intent of the retirement act to achieve blanket retirement at age 60 without due consideration for the welfare of the individual employee. For instance, in a relatively short time the retirement age has been dropped from 65 to 62 and now 60, voiding career-end planning of individuals who are in the mid-50's but have comparatively short Federal and/or Agency service counting toward retirement.

3. In my own case, I presently have 17 years of Agency service and three years of military and other Federal service--a total of 20 years. Mandatory retirement at age 60 would limit my total service to 23 years.

4. On the basis of 23 years of service, even computation of my annuity under the more liberal formula of the new CIA Retirement Act would yield me only slightly more than 40 percent of my present base pay. This is less than the average for Civil Service retirees, including the thousands who drop out early, according to CSC actuarial records.

5. The CIA Retirement Act stresses that at least five years of so-called "qualifying service" is required for participation in the CIA system and to qualify for retirement. I have had $8\frac{1}{2}$ years of "qualifying service" in 17 years, but rather than earning a desirable "credit" this serves as a "debit" in hastening retirement.

6. On the basis of the above circumstances, and providing that I continue excellent work performance and satisfactory health standards, I request the option of a reasonable extension of service beyond age 60, citing on my behalf:

a. A high level of job performance and initiative over the period of my employment;

b. An exemplary record of dependability as reflected in an almost perfect Sick Leave record--an accumulation of over 1700 hours of Sick Leave in 17 years of service.

7. Your earnest consideration of this request is solicited.

SECRET

K1A

OGC 66-0123

MEMORANDUM FOR: Director of Personnel

SUBJECT: Right of Appeal of Designation as a Participant
in the CIA Retirement and Disability System
Following Exercise of Election to Continue in
the System.

25X1A

1. I have reviewed the file and correspondence forwarded with the memorandum of 10 January 1966 concerning the appeal of [REDACTED] of his designation as a participant in the CIA Retirement and Disability System. Election to remain a participant in the CIA Retirement System for the duration of employment is not subject to review or approval by the Director.

2. [REDACTED] titled "Designation of Employees on Duty at Date of Enactment of the Act" provides as follows:

"... An employee who has fifteen or more years of Agency service when the review of his case is completed, who has met the provisions of subparagraph c(2) above, and whose career is adjudged by the Director of Personnel to be qualifying for the System may be designated a participant. Thereafter, such participant may elect to remain a participant for the duration of his employment by the Agency and such election shall not be subject to review or approval by the Director."

25X1A

3. The fact that [REDACTED] election to remain a participant was made before he was designated a participant does not create any new right of review or appeal. The exercise of the election prior to designation merely insured that the desires of the individual to continue under Civil Service or to be transferred to the Agency Retirement and Disability System will be followed.

4. Looking to the specific question raised in paragraph 7 of your memorandum, it is seen that no right of appeal from designation as a participant remains to an employee who has exercised his "15-year" election to remain a participant. The right of appeal is extinguished upon exercise of the right of election to remain a participant. In keeping therewith, it would be appropriate to issue corrective personnel actions to foreclose possible misunderstanding and confusion in other cases previously processed. Although no additional right of appeal, contrary to the Act and regulations, is created by the statement set forth under remarks in the Form 1150, new forms omitting this statement should be issued.

5. While we have said above that no right of appeal exists under the statute or regulations, we do not intend to say that the employee's request for consideration should not receive attention. While technically there is no right of appeal on the issue involved, by the same token there is no legal bar to taking the action requested, i. e., removal from the CIA Retirement System. It would appear completely appropriate to consider his request on the merits and not merely to turn him down on the grounds that he has no right of appeal.

6. The file is returned herewith.

s/ John S. Warner

JOHN S. WARNER
Deputy General Counsel

Att.

cc: IG
CIA Retirement Board

MEMORANDUM FOR: Legal Advisor, CIA Retirement Board

SUBJECT : Right of Appeal of Designation as a Participant in the
CIA Retirement and Disability System Following Exercise
of Election to Continue in the System

STATSPEC

25X1A

1. [REDACTED] (GS-12, Intelligence Officer, [REDACTED]) SPEC
[REDACTED] is a careerist in the [REDACTED]. He was
nominated 20 September 1965 by the Head of the IM Career Service for
designation as a participant in the CIA Retirement and Disability System
as meeting all of the criteria specified in [REDACTED] for designation. 25X1A
This recommendation was concurred in by the CIA Retirement Board on
12 October 1965. STATSPEC

25X1A

25X1A

2. Since [REDACTED] had more than fifteen years of Agency service
(actually 17 years 4 months) as of the date of the Board's review, he
was advised of his eligibility and of his right to elect not to remain
in the System by the Director of Personnel by memorandum dated 14 October
1965. [REDACTED] signed on 9 November 1965 the following statement: "I
elect to remain a participant in the CIA Retirement and Disability System
for the duration of my employment by the Agency." Accordingly, his
designation as a participant was formally approved by the Director of
Personnel on 1 December 1965 and his designation was authenticated
effective 5 December 1965.

25X1A

3. By memorandum dated 3 January 1966, [REDACTED] requested that he
not be subject to mandatory retirement when he will attain age 60 (in
March 1968) but that his service be extended until he will attain age
62 (in March 1970) -- the age to which he could have expected employment
if he had continued under the Civil Service Retirement System. [REDACTED] A
was advised by the Head of the IM Career Service that there was no
operational justification for recommending this extension but that he could
appeal his designation as a participant to the Director. (Right of such
appeal was specified on the Notification of Personnel Action, Form 1150,
advising [REDACTED] of his designation.)

25X1A

4. By memorandum dated 4 January 1966, [REDACTED] appealed to the 25X1A
Director of Central Intelligence and requested that he be returned to
the Civil Service Retirement System. In accordance with [REDACTED] th 25X1A
appeal was referred to the Inspector General for review.

5. [REDACTED] of the IG Staff has consulted me regarding
this case and we believe that it points up a technical deficiency in our
procedures. Specifically, we believe that the employee's exercise of his
option to continue in the CIA Retirement and Disability System for the
duration of his employment with the Agency extinguishes his right of
appeal to the Director in connection with his designation as a partici-
pant. In consequence, we believe that the Office of Personnel has been

in error in stating a right of appeal on the designation actions for participants who have elected to remain in the System.

6. Obviously, cases such as [REDACTED] can arise only during the initial implementation phase of the CIA Retirement and Disability System, when we are dealing with cases in which the "15-year option" vests upon designation. It is because these actions occur simultaneously that we have deferred designation of employees eligible to participate but with 15 or more years of service until the employee formally stated his election. However, as indicated above, we believe such election does extinguish the employee's right of appeal in connection with his designation and that his notice of designation should omit reference to any right of appeal.

7. We would appreciate your review of this specific case (our file is attached). In addition, we request your advice as to (1) whether any right of appeal of designation as a participant remains to an employee who has exercised his "15-year" election to remain a participant and (2) whether corrective personnel actions should be prepared in all such cases processed to date. On the latter point, we suggest that the statement be omitted on all such actions in the future and that any appeals based on previously processed cases be disposed of by reference to your ruling on this case.

/s/ Emmett D. Echols

Emmett D. Echols
Director of Personnel

Distribution:

O & 1 - Addressee

1 - [REDACTED] O/IG

X - CIA Ret. Staff

1 - D/Pers Chrono

OD/Pers [REDACTED]: sac (10 Jan 66)

SECRET

1 APR 1966

25X1A

MEMORANDUM FOR: [REDACTED]

SUBJECT : Appeal of Designation as a Participant in the CIA Retirement and Disability System

REFERENCE : Your memorandum addressed to the Director of Central Intelligence dated 4 January 1966, same subject

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2. In view of the above, the Board concluded that you had no right of appeal on pure technical grounds. However, in reviewing your case on its individual merits, the Board gave full cognizance to the fact that during the transition period under the new Agency Retirement System employees entitled to an election may not be sufficiently informed of their rights and the benefits under the System as to make an intelligent choice between the CIA and Civil Service Retirement Systems. For this reason, and the fact that your Career Service had stated that your services could be fully utilized, it was the unanimous recommendation of the Board that you be permitted to transfer to the Civil Service Retirement System.

3. Based upon my own review of the facts as presented in your case, I have approved the recommendation of the Board and have requested that action be initiated to effect your transfer to the Civil Service Retirement System. You will be notified by Official Personnel Action when this transfer has been effected.

SIGNED

Emmett D. Echols
Director of Personnel

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25X1A

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